

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

STEVEN M. GALLAGHER, a/k/a “Alexander
Delarge 655321,”

Defendant.

No. 1:21-cv-8739-PKC-GWG

ORDER MODIFYING PRELIMINARY INJUNCTION ORDER

WHEREAS, the Court previously entered an Order to Show Cause and Temporary Restraining Order on October 26, 2021 (“TRO”) (DE 11), temporarily enjoining the Defendant from violating certain provisions of the securities laws and freezing certain of his assets; and

WHEREAS, on November 5, 2021, the Court subsequently granted the parties’ request to modify the TRO with respect to the frozen assets held in the accounts of Fifth Third Bank ending in -7581 and -1634, for CMS of Holland Inc. (“CMS”), and the Gallagher Group Ltd. (“Gallagher Group”), such that account -7581 was to be used for CMS’s ordinary and necessary business needs and account -1634 was to be used for the necessary operations and functions of the Gallagher Group (DE 17);

WHEREAS, on November 30, 2021, the Court entered a Stipulated Preliminary Injunction Order (the “PI Order”) (DE 21), whereby the parties agreed to entry of an Order preliminarily enjoining the Defendant from violations of certain provisions of the federal securities laws, and freezing the Defendant’s assets up to \$6.9 million, pending a final disposition of this case, except for certain carve-outs permitting the Defendant to access and use

certain assets as specified therein, including for business expenses, living expenses, educational expenses and legal fees;

WHEREAS, on March 23, 2022, the Court modified the asset freeze to permit the Defendant and his wife Kristen Gallagher to sell securities held in certain frozen brokerage accounts, subject to certain conditions specified therein (DE 36);

WHEREAS, on June 30, 2022, the Court held a hearing on Defendant's motion to modify the PI Order to vacate the asset freeze in its entirety; and

WHEREAS, at the conclusion of the June 30, 2022 hearing, the Court denied the Defendant's motion to vacate the asset freeze, but ordered that the PI Order be modified to freeze the Defendant's assets in an amount up to \$3,172,990.00, pending final disposition of this case;

THEREFORE, IT IS HEREBY ORDERED BY THE COURT that the PI Order is modified to freeze the Defendant's assets in an amount up to \$3,172,990.00, pending final disposition of this case. All other provisions of the PI Order (DE 21), as modified by the Court's March 23, 2022 Order (DE 36), remain in effect.

SO ORDERED, this 12th day of July, 2022.



Hon. P. Kevin Castel
United States District Judge